

WHAT IS CLAIMED IS:

1. In an electronic auction wherein an award for a given auction round is allocated amongst a plurality of highest ranked bidders, a method for providing an incentive to bidders to improve their bids during the conducting of the auction round, comprising:

- 5 prior to conducting the auction round, determining a non-zero allocation amount to be allocated to each of the plurality of highest ranked bidders at a conclusion of the auction round, wherein the allocation amount associated with each of the highest ranked bidders at the conclusion of the auction round is dependent upon the rank of each of the plurality of highest ranked bidders
- 10 at the conclusion of the auction round;
 - conducting the auction round; and
 - after the auction round has been conducted, allocating the award between two or more of the plurality of highest ranked bidders in accordance with respective ranks of the two or more bidders at conclusion of the auction
- 15 round and the allocation amounts determined prior to the conducting of the auction.

2. The method of claim 1, wherein the amount to be allocated to a bidder having a certain rank after conducting the auction is the same regardless of which bidder attains that rank.

3. The method of claim 1, wherein the amount to be allocated to a bidder having a certain rank after conducting the auction varies dependent on which bidder attains that rank.

4. The method of claim 1, wherein the amount to be allocated to a certain bidder is dependent upon the rank of another bidder.

5. The method of claim 1, wherein the amount to be allocated to a certain bidder is the same regardless of the rank of any other bidder.

6. The method of claim 1, wherein the amount to be allocated to each ranked bidder is the same regardless of the ranking of the bidders.
7. The method of claim 1, wherein a sum of the amounts allocated to the ranked bidders corresponds to a total volume to be awarded in the auction.
8. The method of claim 1, further comprising determining a total volume to be awarded in the auction, wherein said determining an amount to be allocated to each bidder includes dividing the total volume to be awarded between the number of bidders to whom the award is to be allocated in the auction.
9. The method of claim 8, wherein said dividing the total volume includes allotting different portions of the total volume to bidders of different ranks.
10. The method of claim 1, wherein the amount to be allocated is a volume of goods.
11. The method of claim 1, wherein the amount to be allocated is a volume of services.
12. The method of claim 1, further comprising displaying market feedback to at least one bidder while conducting the auction.
13. The method of claim 12, further comprising:
allocating volume to the bidders during the auction in accordance with a current rank of each bidder and the allocation amounts determined prior to the conducting of the auction; and
5 wherein the market feedback is provided to all bidders, and includes information representing the volume allocated to each of the bidders.

14. The method of claim 12, wherein the market feedback includes a volume allocated to a given bidder.

15. The method of claim 14, wherein the volume to be allocated to the given bidder is provided only to the given bidder during the auction.

16. The method of claim 14, wherein the volume to be allocated to the given bidder is provided to a further bidder during the auction.

17. The method of claim 12, wherein the market feedback includes a rank of the at least one bidder.

18. The method of claim 1, wherein the bidders are electronically coupled to an auction coordinator during the conducting of the auction.

19. The method of claim 18, wherein the bidders submit bids to an auction coordinator online during the conducting of the auction.

20. The method of claim 1, wherein the auction is a reverse auction.

21. The method of claim 1, wherein the auction is a forward auction.

22. The method of claim 1, further comprising soliciting potential bidders.

23. The method of claim 22, wherein soliciting potential bidders includes:

preparing a request for quotation;

providing the request for quotation to potential bidders; and

requesting that potential bidders respond to the request for quotation.

24. The method of claim 23, wherein said request for quotation includes an identification of goods to be purchased.

25. The method of claim 23, wherein said request for quotation includes an identification of services to be purchased.

26. The method of claim 1, wherein each non-zero allocation amount is expressed as a percent of a total award.

27. The method of claim 1, wherein each non-zero allocation amount is expressed as a quantity.

28. The method of claim 27, wherein the quantity is a quantity of units.

29. The method of claim 27, wherein the quantity is a monetary value.

30. The method of claim 1, wherein the allocation amount is a range of amounts.

31. The method of claim 1, wherein at least three bidders participate in the auction round and no award is allocated to at least one bidder.

32. A method of dividing an award between at least two bidders in an electronic auction, comprising:

prior to conducting the electronic auction, determining a first non-zero allocation amount to be allocated to a first bidder if the first bidder is ranked first at a conclusion of the auction;

5 prior to conducting the electronic auction, determining a second non-zero allocation amount to be allocated to a second bidder if the first bidder is ranked first at the conclusion of the auction;

10 prior to conducting the electronic auction, determining a third non-zero allocation amount to be allocated to the second bidder if the second bidder is ranked first at the conclusion of the auction;

prior to conducting the electronic auction, determining a fourth non-zero allocation amount to be allocated to the first bidder if the second bidder is ranked first at the conclusion of the auction;

- 15 conducting the electronic auction; and
 after the conclusion of the auction, allocating the award between at least the first and second bidders in accordance with respective ranks of the first and second bidders at conclusion of the auction and at least two allocation amounts determined prior to the conducting of the auction.

33. The method of claim 32, wherein the first non-zero allocation amount is equal to the third non-zero allocation amount.

34. The method of claim 32, wherein the first non-zero allocation amount is different from the third non-zero allocation amount.

35. The method of claim 32, wherein the second non-zero allocation amount is equal to the fourth non-zero allocation amount.

36. The method of claim 32, wherein the second non-zero allocation amount is different from the fourth non-zero allocation amount.

37. In an electronic auction wherein an award for a given electronic auction round is allocated amongst a plurality of highest ranked bidders and wherein, prior to conducting the auction round, a non-zero allocation amount to be allocated to each of the plurality of highest ranked bidders at a

- 5 conclusion of the auction round is predetermined in a manner wherein the allocation amount associated with each of the highest ranked bidders at the conclusion of the auction round is dependent upon the rank of each of the plurality of highest ranked bidders at the conclusion of the auction round, a system for dividing the award amongst the bidders, comprising:

- 10 a sponsor processor;

- a first bidder processor communicating with said sponsor processor;
and
a second bidder processor communicating with said sponsor
processor;
- 15 wherein said sponsor processor contains instructions which, when
executed by said processor, cause said processor to:
 conduct the electronic auction round; and
 after the auction round has been conducted, allocate the award
between two or more of the plurality of highest ranked bidders in accordance
20 with respective ranks of the two or more bidders at conclusion of the auction
round and the allocation amounts determined prior to the conducting of the
auction round.
38. The system of claim 37, wherein said first bidder processor and
said second bidder processor communicate through an auction coordinator.
39. The system of claim 37, wherein said first bidder processor and
said second bidder processor communicate through the Internet.
40. A computer readable medium having stored thereon instructions
for conducting an electronic auction wherein an award for a given electronic
auction round is allocated amongst a plurality of highest ranked bidders and
wherein, prior to conducting the auction round, a non-zero allocation amount
5 to be allocated to each of the plurality of highest ranked bidders at a
conclusion of the auction round is dependent upon the rank of each of the
plurality of highest ranked bidders at the conclusion of the auction round,
wherein the instructions, when executed by a processor, cause the processor
to:
10 conduct the electronic auction round; and
 after the auction round has been conducted, allocate the award
between two or more of the plurality of highest ranked bidders in accordance

with respective ranks of the two or more bidders at conclusion of the auction round and the allocation amounts determined prior to the conducting of the
15 auction round.

41. A bidding device operated by a participating bidder during an online auction wherein an award for a given auction round is allocated amongst a plurality of highest ranked bidders, the auction having rules that, prior to conducting the auction round, allocate a non-zero allocation amount to
5 each of the plurality of highest ranked bidders at a conclusion of the auction round in a manner wherein the allocation amount associated with each of the highest ranked bidders at the conclusion of the auction round is dependent upon the rank of each of the plurality of highest ranked bidders at the conclusion of the auction round, said bidding device comprising software that
10 enables the participating bidder to submit a bid to a sponsor processor during the auction; and

wherein the sponsor processor conducts the electronic auction round and, after the auction round has been conducted, allocates the award between two or more of the plurality of highest ranked bidders in accordance
15 with respective ranks of the two or more bidders at conclusion of the auction round and the allocation amounts determined prior to the conducting of the auction round.